

M A R Y L A N D OPPORTUNITY ZONES



Rural Maryland Council
December 12th
Annapolis, Maryland 21401

Community Development: ***The Promise of Opportunity Zones***
Windward

Frank Dickson

Director, Strategic Business Initiatives

Maryland Department of Housing and Community Development

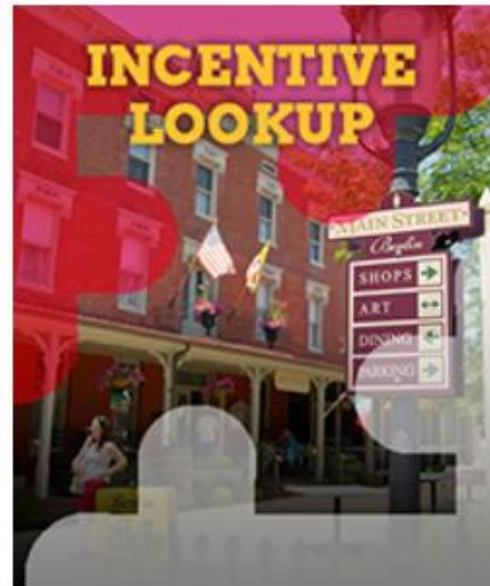
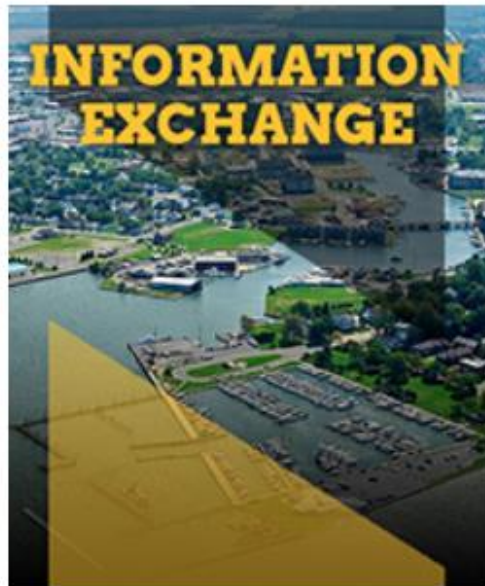
www.dhcd.Maryland.gov



Maryland Opportunity Zones




www.dhcd.Maryland.gov

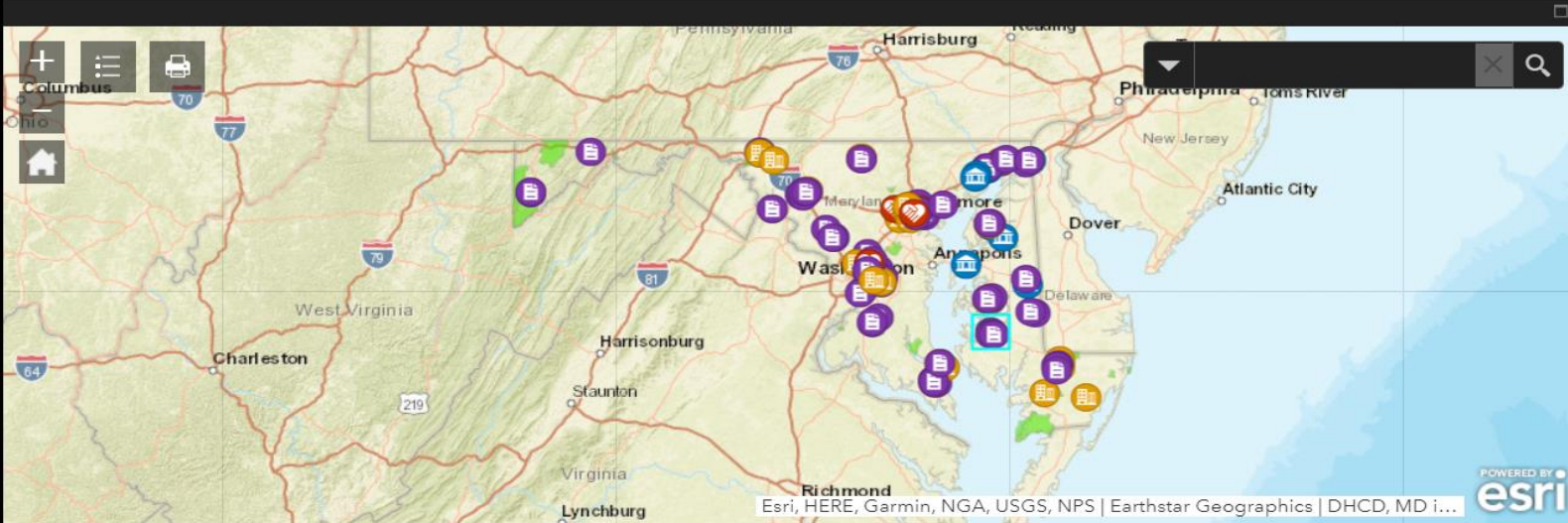



In keeping with Governor Larry Hogan's goal to make Maryland's Opportunity Zones the most competitive and attractive in the nation, the State of Maryland will support Opportunity Zone investment and projects through a wide variety of [programs](#). These proven and effective [resources](#) can assist with all phases of development for a wide variety of projects.

Information Exchange


**OZ Information Exchange**
Maryland Department of Housing and Community Development

+ Add a new OZ listing to the Exchange





POWERED BY 


Info. Summary





Listings222

 Business - Optimize Renewables LLC - Washington

 Business - Frederick Municipal Airport - Frederick

 Business - Talkie Communications - Kent

 Business - Jonathan Street Building - Washington

 Business - 309 N. Washington St. - Worcester


Opportunity Zone
- empty -

Listing Industry is
- empty -

Listing Jurisdiction is
- empty -

Listing Description
developers with staged compatible projects, will be considered. CWDI and the City of Cambridge have site control of 10 acres and anticipate control of remaining 15 acres by Spring 2021.

Listing Financials:
Project Size: \$200,000,000
Debt Opportunity: \$150,000,000
Equity Investment Opportunity: \$50,000,000


[Zoom to](#)

Incentive Lookup Tool

Maryland's Designated Opportunity Zones DHCD's Opportunity Zones Website

Search result
2 N CHARLES ST, BALTIMORE, MD, 21201
[Show more results](#)
[Zoom to](#)

Incentive Lookup

Search by Address or Location on map to view a list of Eligible State Programs within OZ's

▼ 2 N CHARLES ST, E X Q

- Strategic Demolition Fund >
- Community Legacy >
- Neighborhood BusinessWorks >
- Maryland Economic Development Assistance A... >
- Maryland Industrial Development Financing Au... >
- More Jobs for Marylanders >
- More Opportunities for Marylanders >
- EARN Maryland >
- Maryland Research and Development Tax Credit >
- Rental Housing Works >
- Job Creation Tax Credit >
- Cybersecurity Investment Incentive Tax Credit >
- Biotechnology Investment Incentive Tax Credit ... >

City of Baltimore. VITA. Esri | Garmin | Map data © OpenStreetMap contributor... **esri**



Vacant buildings



affordable apartments

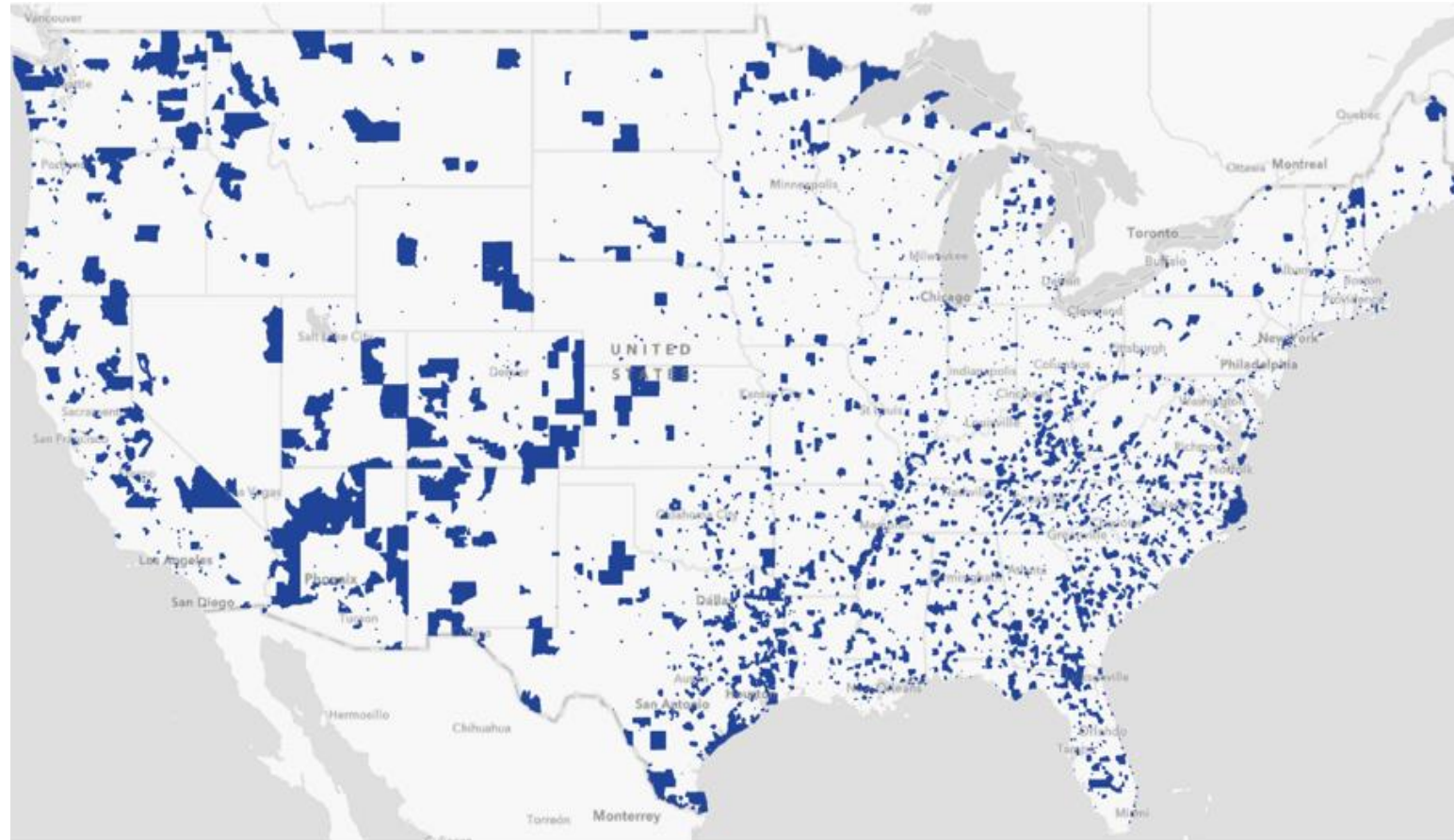
INVESTMENT

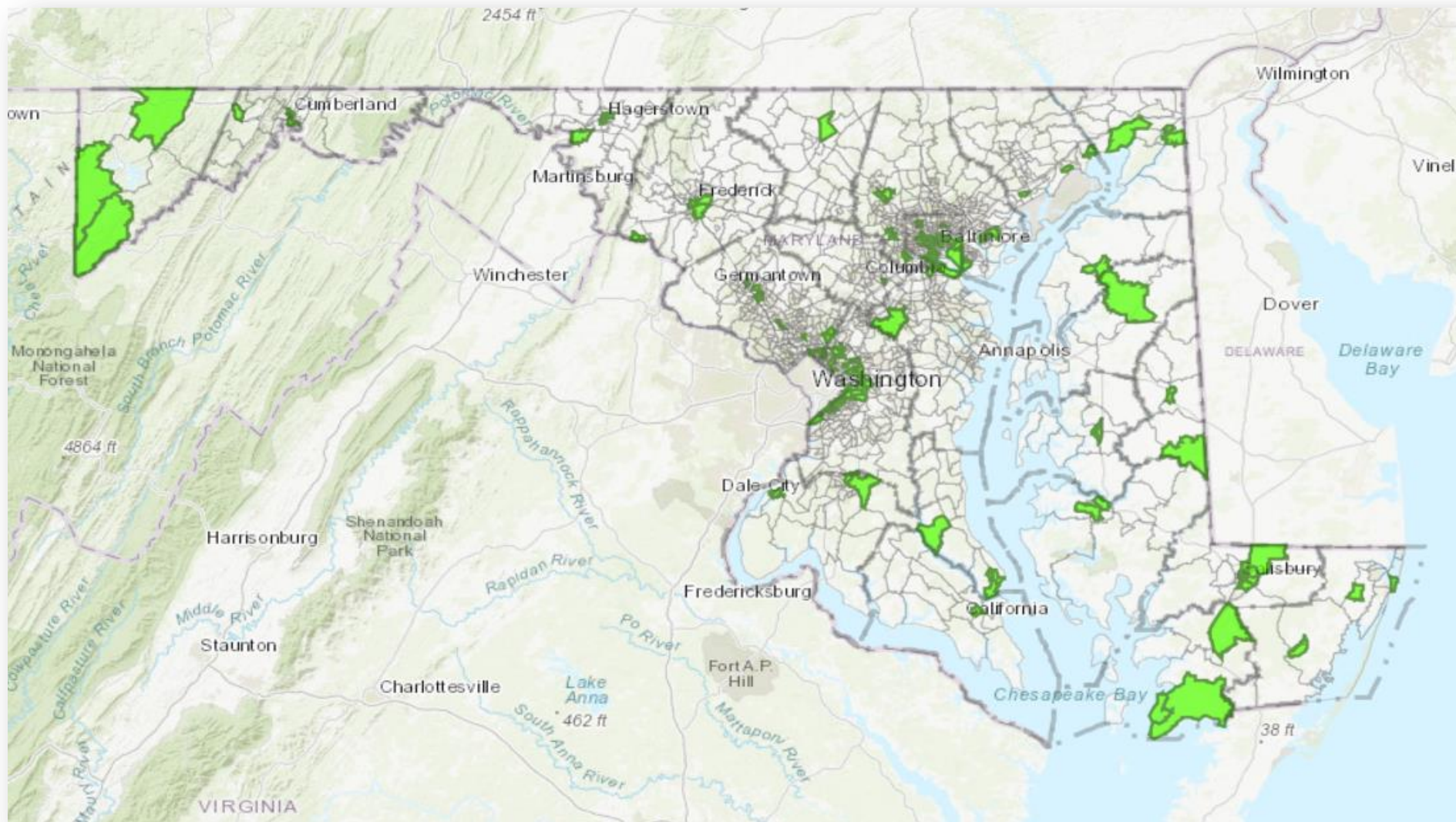
\$6.1 trillion
unrealized capital gains
2017



Investor
(Capital
Gain)

Low Income Census Tracts





Three capital gain incentives

TAX DEFERRAL

- No taxes due until 12/31/2026 or sale of OZ investment.

TAX REDUCTION

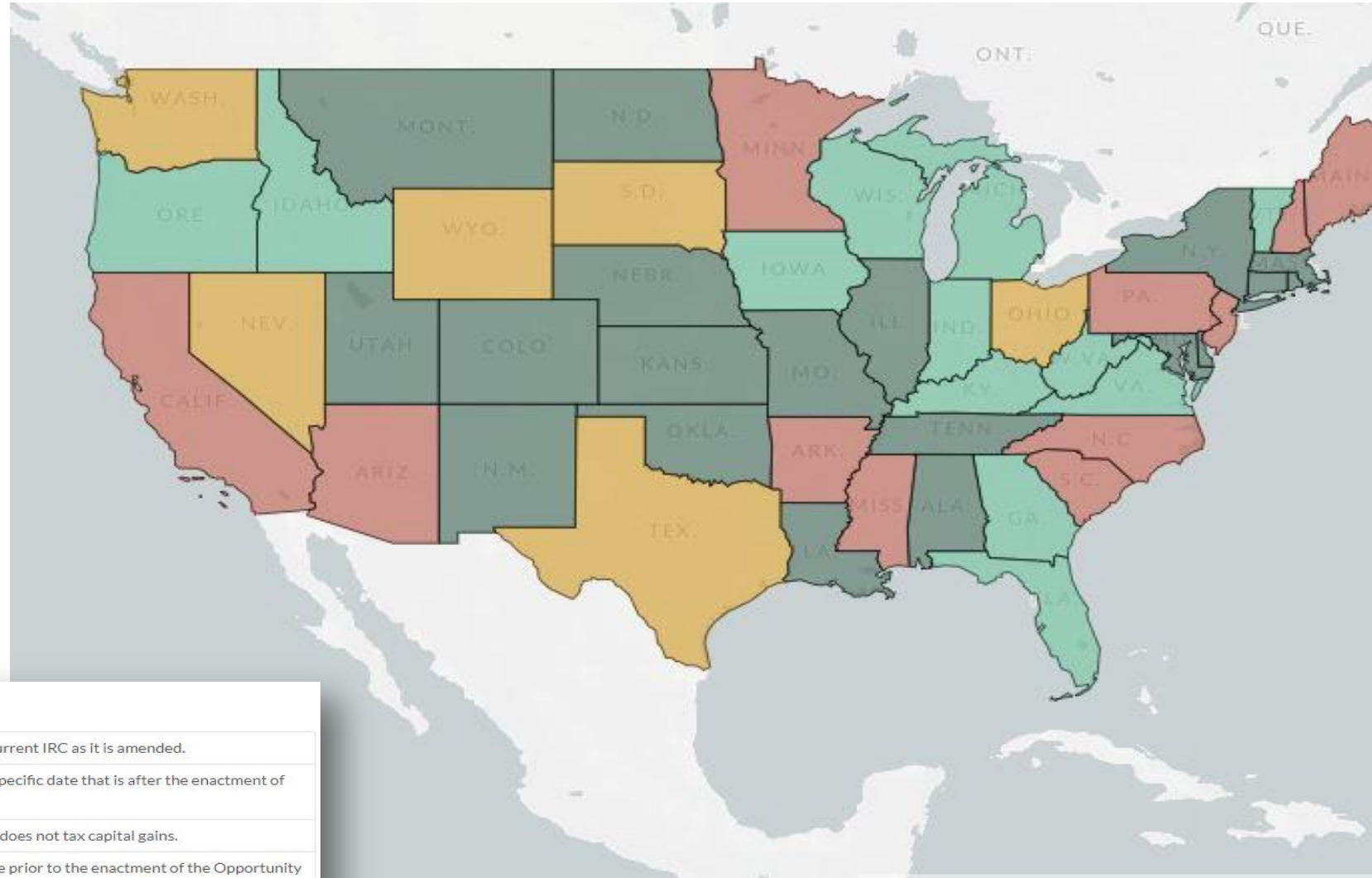
- 10% reduction for 5 YR hold.
- Additional 5% reduction for 7 YR hold.
- 12/31/2026 taxes are DUE.

TAX EXEMPTION





- 10 YR hold, 100% exemption on capital gain.

Conformity to Federal tax code

- In Maryland, both personal and corporate income taxes use federally calculated AGI as the starting point
- Maryland automatically conforms to the current federal tax code



Legend

	Conforming - Rolling: The state automatically conforms to the current IRC as it is amended.
	Conforming - Fixed Date: The state conforms to the IRC as of a specific date that is after the enactment of the Opportunity Zones legislation.
	No Capital Gains: The state has no state income tax or generally does not tax capital gains.
	Nonconforming: The state conforms to the IRC as of specific date prior to the enactment of the Opportunity Zones legislation or the state has specifically decoupled from the Opportunity Zones provisions of the IRC.



180 days

Investor (Capital Gain)

- Investor elects for deferral by completing IRS **Form 8949**



180 days

OZ Fund (Partnership / Corporation)

- Invest 90% of funds into QOZB
- Funds self certify with IRS **Form 8996**



Single Asset Real Estate

- Substantially improve real estate (100% of Building value)
- 31 month written expenditure plan



180 days

Investor (Capital Gain)

- Investor elects for deferral by completing IRS **Form 8949**



180 days

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- Funds self certify with IRS **Form 8996**



Operating Business

- 50% revenue in OZ
- 70% assets in OZ
- 40% active intangible property
- Not a “sin” business
- < 5% nonqualified financial property



Abandoned brush
factory



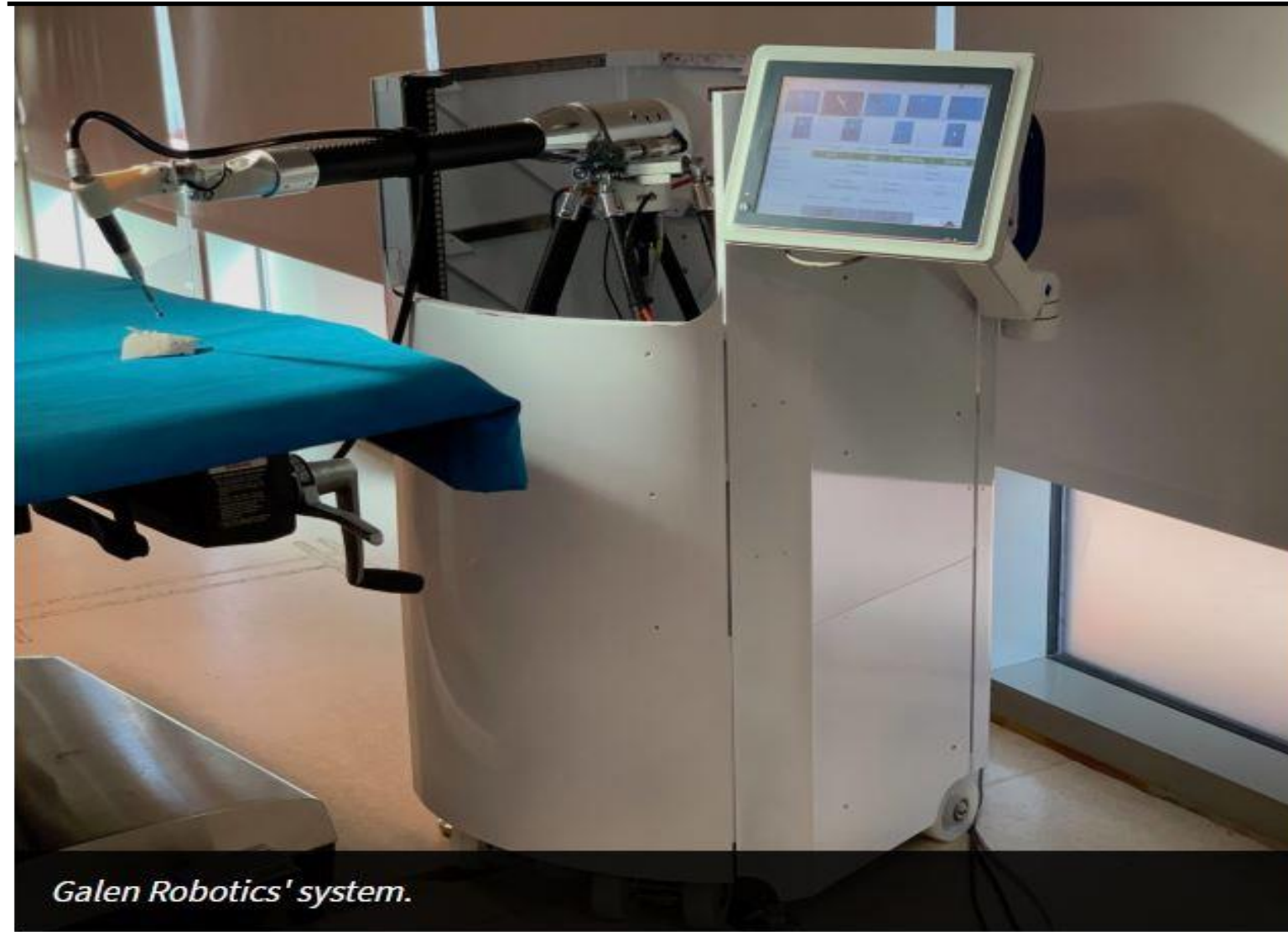
83 modern, affordable
apartments

Neighborhood Business Works program

\$500,000 loan
for growth
capital



Verte Opportunity Fund
invests in ***Galen Robotics***
based in Baltimore's
Pigtown.





Abandoned chemical
factory



Retail & office
development

DHCD

- Neighborhood Business Works
- Rental Housing Works
- Strategic Demolition Fund

COMMERCE

- OZ Enhancement Tax Credits

LABOR

- Opportunity Works , workforce training funds

Assessment / Prospectus

Link:

OZ Investment Prospectus Guide

<https://www.acceleratorforamerica.com/OZGuide>

Baltimore City's

<https://www.acceleratorforamerica.com/sites/default/files/2019-03/baltimore-md.pdf>



Connecting

- Hold local forums & meetings

Supporting

- Expedite projects, contribute assets / \$\$, incentives

Contact

Frank Dickson

Director, Strategic Business
Initiatives

Department of Housing and
Community Development

Frank.dickson1@maryland.gov

301.429.7425

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Thank You!